

From: Bottorff, Thomas E  
Sent: 12/21/2012 4:23:33 PM  
To: Clanon, Paul (paul.clanon@cpuc.ca.gov) (paul.clanon@cpuc.ca.gov)  
Cc:  
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Subject: Chronicle interview

Paul,

Tony and I just did an interview with the Chronicle's editorial board on the PSEP decision. John Diaz was under the impression that the CPUC had overturned the judge in approving a higher ROE. I tried to correct his understanding (saying the commissioners must have discussed the issue with the judge and the judge agreed; otherwise we would have seen an alternate), but he seemed skeptical.

He also seemed to believe that ROE penalties were justified, despite the significant disallowances that were ordered by the CPUC. We tried to change his mind on that too (I referred to Commissioner Florio and Ferron's discussion about competitive capital markets), but I don't think we made any progress.

Tom